

## **Abstract**

### **Title: Bank Guaranty**

The thesis deals with the topic of bank guaranty and its legal regulation in the Czech legal system. The purpose of this thesis is to give comprehensive characteristic of the most important parts of the bank guaranty, relations which are created during its usage and its particular types.

The thesis can be subdivided into two parts. First part consisting of chapters 1 to 3 is a theoretical part. The second part deals with the bank guaranty from the practical point of view, including dividing of bank guaranty on particular types.

First chapter deals with the general issues of security instruments, their nature, content and functions.

Second chapter contains characteristic of legal regulation of bank guaranty in the Commercial Code and its comparison with previous Act. European law and general international law regulation is also part of this chapter.

Third chapter deals with theoretical analysis of all substantial factors regarding bank guaranty. Process of its creation and formal and content to requirements are described in this chapter. Attention is paid to characteristic of all subjects appearing within bank guaranty and to relations created between this subjects subsequently. Process of exercising claims arising from bank guaranty and regulation of admitted objections against this exercise is also described in this chapter. The last part of this chapter deals with particular possible ways of expiration of bank guaranty.

Fourth chapter concentrates on classification of bank guaranties from different points of view. Different kinds of payment and non-payment guaranties including several most used non-payment guaranties are described in this chapter. Next part of this chapter focuses on characteristic of indemnity contract which creates special form of bank guaranty. Short characteristic of stand-by letter of credit and its comparison to bank guaranty is mentioned in the last part of this chapter.

Fifth chapter describes advantages of bank guaranty which leads to its wide use in international and internal business relations.

The last chapter contains assessment of pros and cons of current legal regulation of bank guaranty in the Czech legal system. Some of the proposals which should lead to the improvement of this regulation are also mentioned here. Brief description of legal regulation of bank guaranty in the new civil code bill creates the last part of this chapter.

**Keywords:** bank guaranty, security, letter of guarantee